

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION**

In re:	§	CHAPTER 11 CASE
	§	
TXCO Resources Inc., et al.,	§	CASE NO. 09-51807
	§	
Debtors.		Jointly Administered

In re:	§	
	§	
TXCO Drilling Corp.,	§	Bankruptcy Case No. 09-51809
	§	
Debtor.		

**NOTICE OF (A) OCCURRENCE OF EFFECTIVE DATE OF THE FIRST AMENDED
PLAN OF REORGANIZATION FOR TXCO DRILLING CORP., AS MODIFIED
(B) DEADLINE FOR CREDITORS TO FILE MOTION SEEKING INTEREST IN
EXCESS OF PLAN RATE AND ALLOWANCE OF ATTORNEYS' FEES, AND
(C) BAR DATES FOR FILING ADMINISTRATIVE CLAIMS AND
REJECTION DAMAGE CLAIMS**

1. Confirmation of the Plan. On January 29, 2010, the United States Bankruptcy Court for the Western District of Texas (the "Bankruptcy Court") entered an order (the "Confirmation Order") confirming the *First Amended Plan of Reorganization for TXCO Drilling Corp., as Modified* (the "Plan"). Unless otherwise defined in this Notice, capitalized terms and phrases used herein have the meanings given to them in the Plan and the Confirmation Order. A copy of the Plan and Confirmation Order can be obtained at your own expense at www.txwb.uscourts.gov, <http://cases.administarllc.com/> or by written request to Administar Services Group LLC, Kurtzman Carson Consultants LLC, c/o Deborah VanSchoor, 8475 Western Way, Suite 110, Jacksonville, Florida 32256.

2. Effective Date. On February 11, 2010 the Effective Date of the Plan occurred.

3. Bar Dates.

a. **Administrative Claims Bar Date.** "Administrative Claims" are defined by the Plan as Claims for payment of an administrative expense of a kind specified in section 503(b) of the Bankruptcy Code and entitled to priority pursuant to section 507(a)(2) of the Bankruptcy Code, including (a) any actual and necessary costs and expenses, incurred after the Petition Date, of preserving the Estates and operating the business of the Debtors (including wages, salaries, or commissions for services rendered after the Petition Date), (b) Professional Fee Claims, and (c) all fees and charges assessed against the Estates under chapter 123 of title 28, United States Code. Except as otherwise provided below, unless previously filed, requests for payment of Administrative Claims must be filed with the Clerk of the United States

Bankruptcy Court for the Western District of Texas, United States Courthouse, 615 E. Houston St., San Antonio, Texas 78205, and served by personal service, overnight delivery, or first class mail, but NOT by electronic mail or facsimile, so as to be **RECEIVED** no later than **March 15, 2010** by the undersigned counsel to Reorganized TXCO Drilling Corp., Patrick L. Huffstickler, Cox Smith Matthews Inc., 112 East Pecan Street, Suite 1800, San Antonio, Texas 78205 and the United States Trustee, 615 E. Houston St., Suite 533, San Antonio, Texas 78205, Attn: James Rose, Esq. (collectively, the "Notice Parties"). Unless any Notice Party objects to an Administrative Claim, such Administrative Claim shall be deemed allowed in the amount requested. In the event that either of the Notice Parties objects to an Administrative Claim, the Bankruptcy Court shall determine the Allowed amount of such Administrative Claim. Notwithstanding the foregoing, the Disbursing Agent may pay, in his discretion, in accordance with the terms and conditions of any agreements relating thereto, any Administrative Claim as to which no request for payment has been timely filed but which is paid or payable by TXCO Drilling Corp. in the ordinary course of business.

b. **Deadline for Submitting Professional Fee Claims.** All Professionals or other entities requesting compensation or reimbursement of expenses pursuant to sections 327, 328, 330, 331, and 1103 of the Bankruptcy Code for services rendered on or before the Effective Date shall file an application for final allowance of compensation and reimbursement of expenses with the Clerk of the United States Bankruptcy Court for the Western District of Texas, United States Courthouse, 615 E. Houston St., San Antonio, Texas 78205, and serve by personal service, overnight delivery, or first class mail, but NOT by electronic mail or facsimile, so as to be **RECEIVED** no later than **April 12, 2010** by the Notice Parties, as defined in above in paragraph 3(a). All compensation and reimbursement of expenses allowed by the Bankruptcy Court shall be paid ten (10) days after the entry of an Order allowing such fees and expenses, or as soon thereafter as practicable.

c. **Bar Date for Proofs of Claim Relating to Rejected Executory Contracts or Unexpired Leases.** If the rejection by TXCO Drilling, pursuant to the Plan or otherwise, of an executory contract or unexpired lease pursuant to the Plan results in a Claim, then such Claim shall be forever barred and shall not be enforceable against TXCO Drilling or Reorganized TXCO Drilling or the properties of any of them unless a Proof of Claim is **RECEIVED** by the Debtors' Claims Agent, Administar Services Group LLC, Kurtzman Carson Consultants LLC, c/o Deborah VanSchoor, 8475 Western Way, Suite 110, Jacksonville, Florida 32256, and served on the Notice Parties, as defined above in paragraph 3(a), no later than **March 1, 2010**. Nothing in this section 3(c) or in the Plan shall revive or be deemed to revive a previously Disallowed Claim or extend a previously established bar date, if applicable. The Debtors' Claims Agent will not accept any Proof of Claim sent by facsimile or by electronic mail.

d. **Bar Date for Requesting Payment of Interest in Excess of the Plan Rate and Recovery of Attorneys' Fees.** Any holder of an Allowed Claim seeking (a) payment of Post-Petition Interest on such holder's Claim at a rate other than the Plan Rate of 5% per annum and/or (b) reimbursement of attorneys' fees and other costs and expenses associated with such holder's Claim (or both) shall file a motion seeking such relief within thirty (30) days after the Effective Date, which is no later than **March 15, 2010**. Any such motion must include all documentation upon which the Claimant relies including, but not limited to, any

contract with the Debtors and invoices reflecting attorneys' fees and costs actually incurred, to establish the Claimant's entitlement to (a) Post-Petition Interest at a rate other than the Plan Rate and (b) attorneys' fees and other costs and expenses. **THE INCLUSION OF THE ENTITLEMENT TO THESE TYPES OF CLAIMS IN PROOFS OF CLAIM PREVIOUSLY FILED SHALL ONLY BE SUFFICIENT TO ESTABLISH SUCH CLAIMS WITHOUT A SUPPLEMENTAL FILING IF THE PROOF OF CLAIM STATES ON ITS FACE THE RATE OF INTEREST AND ACTUAL AMOUNT OF ATTORNEYS' FEES.** If the Proof of Claim filed by Claimant does not state on its face the rate of interest and actual amount of attorneys' fees that accrued pre-petition, such amount shall be included in the amount set forth in the motion. Reorganized TXCO Drilling or the Trustee of the Liquidating Trust shall have thirty (30) days from receipt of any such motion to file a response to such motion, which will also include any objection that the objecting party has to the principal amount of such Claim.

4. Record Date. The record date for distributions provided for in the Plan shall be February 11, 2010 and any transfer of claims after February 11, 2010 shall not be recognized by the Disbursing Agent.

Dated: February 16, 2010

Respectfully submitted,

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